

Exhibit R

## Message

**From:** Aamir Amdani [aamdani@breakwatermgmt.com]  
**Sent:** 6/18/2018 3:32:58 PM  
**To:** Mark Palmer [mark@theseusstrategy.com]; Saif Mansour [smansour@breakwaterfunds.com]  
**CC:** Alex Zyngier [azyngier@batutaadvisors.com]; oakhan1980@gmail.com; Christopher Davis [chris@lootcrate.com]; andrew.schoulder@bclplaw.com; Linda Menzel [linda.menzel@lootcrate.com]  
**Subject:** RE: Financing term sheet

Mark,

As it relates to Atalaya, as you know, Breakwater is supportive of this refinancing transaction.

Re: South River, thank you for sharing the updated term sheet. Unfortunately, we still cannot consent to this financing transaction for the following reasons:

1. **Cash pay interest:** This deal carries a 6.0% annual cash coupon (the monthly "Facility Fee"). As we've previously noted, we will not consent to the Company taking on additional cash pay obligations.
2. **Cross default:** This loan cross defaults with the Breakwater loan and provides for a confession of judgment as a remedy. As we've previously noted, we will not consent to any obligation which could lead to an event of default while the Breakwater loan remains outstanding.
3. **Cross acceleration:** This loan cross accelerates with the Breakwater loan. As we've previously noted, we will not consent to any acceleration / cross acceleration features.

Just to reiterate, Breakwater remains open to the \$3M liquidity requirement being satisfied through deeply subordinated debt with (i) no cash pay interest requirement, (ii) no amortization requirements, (iii) a maturity date at least six months outside of the Breakwater loan, (iv) no covenants tied to financial performance, and (v) no ability to accelerate. Otherwise, the \$3M of liquidity needs to come in the form of equity.

Please let us know if you have any questions.

Thanks,  
Aamir

Aamir Amdani  
Vice President  
Breakwater Management  
1999 Avenue of the Stars, Suite 3430  
Los Angeles, CA 90067  
O: (424) 777-4013  
C: (646) 331-3332  
E: [aamdani@breakwaterfunds.com](mailto:aamdani@breakwaterfunds.com)

---

**From:** Mark Palmer [mailto:mark@theseusstrategy.com]  
**Sent:** Monday, June 18, 2018 1:59 PM  
**To:** Saif Mansour <smansour@breakwaterfunds.com>; Aamir Amdani <aamdani@breakwaterfunds.com>  
**Cc:** Alex Zyngier <azyngier@batutaadvisors.com>; oakhan1980@gmail.com; Christopher Davis <chris@lootcrate.com>; andrew.schoulder@bclplaw.com; Linda Menzel <linda.menzel@lootcrate.com>  
**Subject:** Financing term sheet

See attached. We are seeking to move forward for atalaya and for liquidity. We look forward to discussing. Best regards,